



Ernie Fletcher
Governor

LaJuana S. Wilcher, Secretary
Environmental and Public
Protection Cabinet

Christopher L. Lilly
Commissioner
Department of Public Protection

Commonwealth of Kentucky
Public Service Commission
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Mark David Goss
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Teresa J. Hill
Vice Chairman

Gregory Coker
Commissioner

August 25, 2006

PARTIES OF RECORD:
Case No. 2006-00098
Shelby Energy Cooperative, Inc.

Attached is a copy of the memorandum which is being filed in the record of the above referenced case. If you wish to make any comments regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. Should you have any questions regarding the memorandum, please contact Richard Raff at 502/564-3940, Extension 260.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

RGR:v

Dudley Bottom, Jr.
Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

Honorable Donald T. Prather
Attorney At Law
Mathis, Riggs & Prather, P.S.C.
Attorneys at Law
P. O. Box 1059
500 Main Street, Suite 5
Shelbyville, KY 40066-1059

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2006-00098
FROM: Richard Raff, Staff Attorney 
DATE: August 25, 2006
SUBJECT: Shelby Energy – Case No. 2006-00098

Pursuant to the Commission's July 24, 2006 Order, an informal conference was held at the Commission's offices on August 9, 2006 in Frankfort, Kentucky. A list of the attendees is attached hereto.

The purpose of the conference was to discuss the facts and circumstances surrounding the February 8, 2006 accident involving a Shelby Energy contractor, Dobson Power Line Construction Company, near 4505 Peck Pike, Trimble County, Kentucky. As a result of the discussion, an agreement in principle was reached which, if accepted by the Commission, would eliminate the need for a hearing in this case. The terms of the agreement include Shelby Energy conducting monthly safety audits on both its own crews as well as contractor crews, the designation of one Shelby Energy employee having responsibility for ensuring that monthly safety audits are performed, and the payment of a civil penalty in the amount of \$5,000. Staff agreed to work with Shelby Energy to finalize a Stipulation reflecting the agreement in principle.

Attachment
cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SHELBY ENERGY COOPERATIVE, INC.)
_____)

CASE NO. 2006-00098

ALLEGED FAILURE TO COMPLY)
WITH KRS 278.042)

=====
August 9, 2006 Informal Conference
=====

Please sign in:

NAME

REPRESENTING

Richard Jeff

PSC - Legal

Dudley Bottom

Shelby Energy

WAYNE ANDERSON

SHELBY ENERGY

Jeff Moore

PSC

STEVE KINGSOLVER

PSC

JOHN SHUPP

PSC

Eli Russell

PSC

Debbie Martin

Shelby Energy

Don Prather

Shelby Energy

DAVID MARTIN

SHELBY ENERGY

JAMES Dobson

Dobson Power Line

